

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 98-588

September 28, 1998

MAINE PUBLIC SERVICE COMPANY,  
Request for Approval of Employee  
Benefits Plan

ORDER

WELCH, Chairman; NUGENT, Commissioner

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**A. Summary**

In this Order, we find the Proposed Employee Transition Plan (Plan) submitted by Maine Public Service Company (MPS) is consistent with the statutory requirements of 35-A M.R.S.A. § 3216 and Chapter 303 of the Commission's Rules. We reserve for a subsequent proceeding determination of the cost recovery for any benefits which exceed the statutory requirements.

**B. Background**

On July 31, 1998, MPS filed a copy of its Plan and requested that it be approved by the Commission pursuant to Chapter 303. On August 6, 1998, the Examiner issued a Procedural Order, pursuant to section 4(b)(1) of Chapter 303, providing interested persons with an opportunity to comment upon the proposed Plan's compliance with Section 3216 and Chapter 303 of the Commission's Rules. The Commission received no comments.

**C. Decision**

We have reviewed MPS's proposed Plan and find that it is generally consistent with the statutory requirements of Section 3216 and Chapter 303 of our Rules. There are, however, two provisions upon which we must comment.

First, in the introductory language of the Plan, MPS defines retail competition as including the deregulation of metering and billing in March 2002. Both Section 3216 and Chapter 303 limit the definition of retail competition to retail access on March 1, 2000, or divestiture prior to March 1, 2000. Nowhere in either Section 3216 or Chapter 303 is it explicitly contemplated that the employee transition benefits plans would cover metering and billing deregulation. While the deregulation of metering and billing is discussed in other sections of the electric restructuring statutes, it is not mentioned in Section 3216. Thus, to the extent MPS wishes to offer benefits to persons

affected by the deregulation of metering and billing, recovery of the costs associated with those benefits is not covered by Section 3216 or Chapter 303.

Second, MPS states that payment of the severance benefits required by Section 3216 and Chapter 303 shall "constitute payment of severance benefits to which the employee may otherwise claim to be entitled under contract, law, or otherwise." We are not in a position to determine whether provision of the benefits required by Section 3216 or Chapter 303 eliminate previous obligations assumed by MPS. Instead, we must ensure that the benefits required by the statute are, in fact, provided to the affected employees. Thus, nothing in our Rule or this Order approving the Plan should be construed as legally relieving MPS from any responsibilities and liabilities it may have under valid contracts or collective bargaining agreements. Any disputes or issues relating to previously entered into agreements are between MPS and the entities or persons with whom it has contracted.

Finally, our approval of this Plan should not be construed as a finding that all of the costs associated with the proposed Plan will be recovered from ratepayers pursuant to Section 3216(5). While Section 3216(5) requires recovery of the reasonable costs of those benefits mandated by the statute from ratepayers, recovery of the costs of any benefits which exceed the statutory requirements will be determined in an appropriate ratemaking proceeding.

Dated at Augusta, Maine this 28th day of September, 1998.

BY ORDER OF THE COMMISSION

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Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR: WELCH  
NUGENT

## NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of adjudicatory proceedings are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 6(N) of the Commission's Rules of Practice and Procedure (65-407 C.M.R.11) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which consideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320 (1)-(4) and the Maine Rules of Civil Procedure, Rule 73 et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320 (5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.